

HAP

Hatsun Agro Product Limited

ANNUAL REPORT 2022



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A full-page background image showing a lush green field with several brown cows. One cow is lying down in the foreground, while others are grazing or standing in the mid-ground. The background features rolling hills and a bright sunset sky with warm orange and yellow tones. The text is overlaid in the center of the image.

OUR PEOPLE: THE STORY BEHIND OUR REAL ASSETS

Things change. That's a given. That's also something we've experienced as a company for over 50 years. The humble products we started out with have grown into an all-encompassing range riding on evolving customer requirements. We've witnessed a sea of change and an ocean of innovation, but there's one thing that has remained constant over the decades: the value we place on the people we work with.

The next few pages will give you a deeper look into the world of HAP and the stories we crafted – with our stakeholders, customers, farmers and of course, our employees.



R.G. CHANDRAMOGAN
Chairman

R.G. Chandramogan, aged 73 years, is the Chairman of the Company. He has been in the dairy business for more than five decades. In February 2018, the Indian Dairy Association awarded Patronship to R.G. Chandramogan in recognition of the valuable services rendered by him in furthering the cause of the Indian Dairy Association and the dairy industry, through planning and development.

C. SATHYAN
Managing Director

C. Sathyan, aged 43 years, is the Managing Director. He was conferred with the title of 'Doctor of Letters' for his entrepreneurship and philanthropy by the International Tamil University, USA. He has held various executive positions during his career, spanning over 20 years. He is in-charge of the day-to-day operations of the company.

P. VAIDYANATHAN
Non-Executive
Non-Independent Director

P. Vaidyanathan, aged 74 years, was an Independent Director of the Company. On completion of his first term of Independent Directorship as per the provisions of The Companies Act, 2013 and SEBI LODR Regulations, 2015, he has been appointed as Non-Executive Non-Independent Director of the Company. He is a Fellow Member of the Institute of Chartered Accountants of India, Associate Member of the Institute of Company Secretaries of India and the Institute of Cost Accountants of India. He has over 30 years of experience in finance functions.

K.S. THANARAJAN
Non-Executive
Non-Independent Director

K.S. Thanarajan, aged 73 years, is the Non-Executive Director of the Company. He holds a Master's Degree in Economics from the University of Madras. He was in-charge of day-to-day operations of the dairy division of the Company. He has been in the dairy business for more than 20 years.

BOARD OF DIRECTORS



D. SATHYANARAYAN

Non-Executive
Non-Independent Director

D. Sathyanarayan, aged 63 years is a Non-Executive Non-Independent Director. He is a Bachelor of Science and holds a Master's Degree in Public Administration. He has more than three decades of experience in handling Factory Operations, Food Safety, Quality Control and commissioning of new plants.

S. SUBRAMANIAN

Independent Director

S. Subramanian, aged 63 years, is an Independent Director. He holds a Postgraduate Degree in Commerce and Management and is a finance professional with more than 30 years of experience in the Manufacturing Industry. He has expertise and knowledge in the areas of Corporate Finance, Accounting, Capital Structuring, Governance and Compliance matters.

B. THENAMUTHAN

Independent Director

B. Thenamuthan, aged 61 years, is an Independent Director of the Company. He holds a Master's Degree in Communication and Journalism from the University of Madras. He has over 19 years of experience in the field of journalism. He is the Managing Director of Karnataka News Publications Private Limited.

V.R. MUTHU

Independent Director

V.R. Muthu, aged 68 years, is a Graduate in Commerce and has rich experience in the Business/Commercial spheres for over a period of 20 years. He is the Managing Director of V.V.V & Sons Edible Oils Limited which owns the fastest growing Oil brands in India namely "Idhayam Gingelly Oil" and "Mantra Ground Nut Oil".

BALAJI TAMMINEEDI

Independent Director

Balaji Tammineedi, aged 61 years, is an Independent Director of the Company. He is an entrepreneur and holds a Master's Degree in Management from the Indian Institute of Planning and Management, Delhi. He has more than 22 years of experience in the dairy industry. He is a partner in Prism Ventures LLP, Traditions Jewellery LLP and Blue Sky Brundhavana LLP.

CHALINI MADHIVANAN

Independent Woman Director

Chalini Madhivanan, aged 65 years, is an Independent Woman Director of the Company. She holds a Bachelor's degree in Medicine and Surgery from Madurai Kamaraj University and a diploma in Ophthalmology from Madras University. She completed a training program in Radial Keratotomy and Keratoplasty from the Institute of Clinical Ophthalmology, Kiryu Eye Clinic, Japan. She has over thirty seven years of experience in the medical industry. She holds the position of Managing Director in M.N. Eye Hospital Private Limited.





From the Chairman's Desk

Dear Stakeholders,

It has been a challenging year for all of us, and it looks like a steep climb ahead as the world pieces itself back together again.

I would like to take this opportunity to thank everyone involved with HAP -- our partners, vendors and employees -- for their tireless efforts and support during these unprecedented times. Rest assured, we will move forward as one, tackle new challenges and continue delivering quality dairy products to our customers.

Once again, on behalf of the entire HAP family, I thank you for your loyalty and support.

Yours sincerely,
R.G. Chandramogan



MILK SOURCING AND ANIMAL HUSBANDRY

Where does our quality come from? Yes, our meticulous processes ensure that every single product that leaves our portals are held to extremely high standards, but what matters most is the quality of the milk we source. That's why we go right back to the farms.

MILK SOURCING PROCESS

- We bring our farmers into the picture right from the get go – every day more than 4 lakh farmers deposit milk at over 10,000 Hatsun Milk Banks (HMBs), where it is quality tested.
- The idea is to make sure we get the best possible output, to benefit all parties involved, especially the farmer.

QUALITY PARAMETERS

- To determine price per liter, we carry out tests against 2 parameters: Fat and SNF.
- Farmer payments are made every 10 days based on this.

FARMER MANAGEMENT

Our state-of-the-art database assures that farmer payments are made on time, every time.

LOGISTICS

- We have an assigned route plan which helps us navigate over 1200 rural milk sourcing routes.
- This helps us hit our designated timelines, and ensures the milk sourcing vehicle reaches the Hatsun Milk Chilling Center on time.

TESTING

Once the milk conforms to all of HAP's stringent quality norms, we load it onto a milk tanker which is then sent to the dairy for further processing.